



Section: Finance and Administration	Number: 12.50.P.v14
Subject: Travel and Expense	Associated Document Form Number: 12.50.F
Effective Date: August, 2009	Last Reviewed Date: March, 2018
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PURPOSE

The intent of this Policy is to establish and maintain consistency in the management of travel & other employment expenses across OTN while ensuring fair treatment of employees who are required to travel for business.

SCOPE

This policy applies to all OTN employees, contractors and Board Members.

POLICY

The following principles should form the basis for employee travel & other expense decisions:

- Expenses associated with an employee's duties should minimize costs and maximize the benefits to OTN.
- Staff should be reimbursed for legitimate work-related expenses authorized by management.
- Staff must make the most practical and economical arrangements for travel, meals and hospitality.
- In evaluating travel options, employees should consider total costs including the costs of transportation, hotels, meals and taxis.
- Staff should make maximum use of OTN's videoconferencing and teleconferencing facilities to reduce the need for business travel.

Over payments

Amounts reimbursed to an employee in error or that are not in accordance with this policy will be treated as an accounts receivable to OTN and recovered from the employee accordingly.

Board Member Travel

Reasonable travel expenses incurred by Board Members will be reimbursed by OTN. Board Members will be expected to make use of the Expense Claim and all expense submissions should be supported by appropriate original itemized receipts. Board Members' travel expenses must be approved by the CEO and the VP Finance and Administration and a summary will be taken forward annually to the Audit and Finance Committee of the Board for review.

Out of Province Travel

- Any trips, including conferences, seminars and training that are outside of Ontario require **pre-approval** by the SLT of the corresponding department, as well as the CEO.
- For travel outside of Ontario by the CEO and/or Board Members, pre-approval must be obtained from the Chair of the Board.
- A Travel Pre-Approval form should include the destination, dates and purpose for the trip. As well, estimates for the cost should also be included.
- The signed Pre-Approval form must be submitted at the time the expense claims are being made.
- All meals should follow the meal allowance policy as per below. If any claim exceeds the limit, a written explanation is required with sufficient details as to why and submitted with the expense claim.

TRANSPORTATION

1. Land Transportation

- It is expected that employees will choose the form of transportation, while traveling on business, which best meets OTN's needs. Generally, this will be the most cost effective option available. However, first class rail/bus travel is acceptable if the fare is less than the equivalent economy airfare. **Car mileage can only be claimed if the cost is lower than the cost by common carrier.**
- OTN reserves the right to alter an employee's travel plans and accordingly accept any cancellation charges.

2. Air Travel

- Trips beyond normal driving distance can be made by air.
- Air travel shall be limited to the lowest, non-refundable, coach/economy class fair available.
- Where there is a price differential between a direct and a non-direct route, the lower cost option should be selected so long as it does not cause undue travel delays.
- Whenever possible, air travel arrangements should be made in advance to ensure the most economical choice.
- Business class fares are acceptable when flying time on one leg of a journey is at least nine (9) hours, irrespective of departure time.
- A claimant who wishes to upgrade from economy class may do so at their own expense. In such situations, the claimant must provide a quote with the amount of the economy class transportation, and that amount will be reimbursed.
- It is recommended that air travel is booked online, where the lowest cost option can be found. Suggested websites for booking air travel include:

- www.selloffairfares.com
- www.expedia.ca
- www.travelocity.ca

- If an employee cannot bear the cost of the airfare, he/she should contact the Financial Controller so that alternate arrangements can be made.
- To arrange for air travel please contact a designated vendor, currently a centralized OTN account has been set up with:

Performance Travel
Attention: Kathy Morris, Travel Consultant
220-1419 Carling Avenue
Ottawa, ON K1Z 7L6
Tel: 613-627-1201 x3331
Toll-free: 1-800-267-9676
Fax: 613-627-1203
Email: kathy.morris@visiontravel.ca

3. Use of Personal Vehicles

- Employees may use their own vehicles for business travel if it best meets OTN's needs in the circumstances.
- Reimbursement will be in accordance with approved Kilometre Allowance and must not exceed equivalent economy airfare, unless the travel is deemed to be more practical and necessary for substantive reasons (e.g. transportation of technical equipment for site visits) – i.e. it best meets OTN's needs.
- It is the sole responsibility of the employee to advise their personal insurance carrier to ensure adequate vehicle insurance coverage. OTN will not be responsible for damage costs to employee-owned vehicles, incurred while on OTN business.
- Any traffic or parking infractions are also the sole responsibility of the employee.
- The kilometre reimbursement will be calculated **at \$0.50 per kilometre** and is based on the distance between the employee's office and the destination, not from the employee's

residence unless (i) the employee is considered a home-based employee in which case it is the distance between employee's residence and the destination and/or (ii) the distance to the destination is shorter from the employee's residence than from the employee's office in which case the calculation should be based on the distance between the employee's residence and the destination, assuming the employee does not go into the office on the day of travel. The reimbursement covers the cost of gas, depreciation, maintenance & insurance.

- A rental vehicle is recommended when the total distance to be driven in one day exceeds 200 km.
- The use of toll highways, including but not limited to Highway 407 (ETR), should be restricted where possible and the use of such routes should be subject to Manager approval.

4. Car Rental

OTN has established a preferred partnership and corporate account with Enterprise Rent-A-Car. Enterprise has agreed to provide OTN with free pick up and return service at the start and end of all rentals. You will be picked up from and driven to your office or home. Charges will be billed to OTN directly. The size and model of the rental vehicle requested must be appropriate, economical, practical and safe in order to carry out the business task. Refueling should be done before returning the vehicle and original and itemized receipts for gasoline purchases should be attached to the expense report.

- To book online at www.enterprise.com
- Corporate Code or Customer number **LC21100**
- PIN **OTN**

5. Taxi Service

Taxis may be used as necessary if the employee is traveling short distances on business. OTN has established a corporate account with Aeroport Taxi & Limousine Service, **1-800-465-3434**. Aeroport has arranged OTN accounts with local taxis for each office:

Toronto: Aeroport, 416-255-2211, 905-624-2424 (Mississauga), or toll free 1-800-465-3434, Account #OTN-86

Thunder Bay: Diamond Taxi, 807-623-4968, Account #OTN-86

Timmins: Northern Taxi, 705-268-6868, Account #OTN-86

- Taxi vouchers for the Toronto area are available from Reception. For regional offices, local drivers will have standard vouchers.
- Please note tips should not exceed 15% of the trip cost.
- Refer to iConnect for the Taxi & Limousine Service information sheet for further details.
- Ride sharing services, such as Uber and Lyft are considered acceptable where available.

ACCOMMODATION AND MEAL ALLOWANCES

1. Accommodation

- The most economical accommodation of a standard quality and convenience to the required location should be the criteria used to reserve rooms for business travel. Please refer to Appendix 1 for a guideline on standard rates.
- Booking a room with access to high speed internet as required is acceptable.
- Employees are responsible for all charges to the hotel. Checking out of the hotel must be done personally so that the bill may be reviewed, signed and an original detailed copy obtained for submission with the Expense Claim.
- Personal expenses charged to the hotel bill by the employee will not be reimbursed, e.g. movies, alcohol (in-room bar) and other special facility charges.
- Hotel bills that include meals purchased to the room must be accompanied with an original itemized receipt of the charge.

- Hotel reservation cancellations are the employee's responsibility.
- In cases where a hotel is pre-booked, the final charge must be accompanied by the expense report. A confirmation of the booking with an estimated charge is not sufficient. Unless the charge has been levied and the documentation indicates it is non-refundable, the final checkout documentation needs to be included to ensure the proper reimbursement has been made.
- Where deemed appropriate, a companion may accompany an employee. The employee is solely responsible for any risks and/or expenses directly attributable to the companion. For clarity, OTN is in no way responsible or liable in any manner to or for the companion.
- In Toronto, OTN has negotiated a preferred rate with the Westin Prince; use **PIN# 1085** when booking,

The Westin Prince
 900 York Mills Road
 Toronto, ON M3B 3H2
 Phone: 416-444-2511
 Toll free: 1-888-627-8550
 Fax: 416-391-5184
www.westin.com/prince

- When a booking is made at The Westin Prince, the room rate will be charged directly to OTN and only incidentals should require payment from the employee and expensed as per above.
- **Please note the preferred rate is in effect until December, 2018. Once OTN has moved to the new downtown office, any preferred hotels and rates will be communicated as applicable.**

2. Meal Allowances while travelling

- Employees will be reimbursed for applicable meals while on travel status. Original itemized receipts must be kept and attached to the Expense Claim. Any receipts that do not have the itemized information may be considered personal expenses and will not be reimbursed.
- When overnight travel is required, applicable meals to be charged are from the time of departure through to the employee's return home.
- Meals for partial travel days will be discounted based on the circumstances - e.g. if the employee leaves for his/her destination at 4:00 pm, only dinner expenditure is reimbursable. If the employee's travel is completed by 6:00 pm, a dinner claim is not eligible for reimbursement.
- Meals will not be paid when they are provided or served by carriers (e.g. seminar luncheons, VIA One meals, etc.).
- Meals should not be charged during conferences and internal meetings where same is provided.
- Allowable meal rates (taxes & gratuities included) are based on a total per diem value of no more than \$60.00 as follows:
 - Breakfast up to \$13
 - Lunch up to \$17
 - Dinner up to \$30
 - When travelling in the USA, employees are entitled to claim up to the maximum above (taxes & gratuities included) in USD, regardless of the prevalent Canadian dollar exchange rate.
 - If an employee is entitled to claim both breakfast and lunch on the same day, the total is up to \$30 without an individual limit on breakfast and lunch. The original itemized receipt should indicate clearly if this is the case.
 - If an employee is entitled to claim both lunch and dinner on the same day, the total is up to \$47 without an individual limit on lunch and dinner. The itemized receipt should indicate clearly if this is the case.
- **Alcohol is not reimbursed by OTN for any type of normal business travel and meals.**

- Exceptional circumstances causing the daily maximum per diem allowance to be exceeded must be approved by the responsible SLT member, not the employee's direct manager. The SLT member must document their rationale for approving the daily allowance to be exceeded.
- Meals that are paid by credit card, must include the original itemized receipt, and not just the final balance. Any receipts that do not have the itemized information may be considered personal expenses and will not be reimbursed.
- Interest incurred on personal credit cards will not be reimbursed. In exceptional circumstances, this charge must be approved by the VP, Finance and Administration.
- Reimbursement will not generally be made where travel is part of normal day to day requirements of the job (i.e. Regional Technical Services and Engagement Leads/Directors). Any exceptional circumstances may be considered so long as documentation and approval is provided by the cost center manager and included with the expense claim.
- For any meals that include more than one guest for reimbursement, a list of names of diners needs to be included with the receipt.
- **Please note where a group of OTN employees are dining together, the most senior ranked employee of the group must pay the bill.**

3. Meetings and Training Events

- For internal all-day meetings and training sessions, staff may be provided with lunch with explicit email pre-approval from the responsible SLT member, which should be attached to the expense claim, along with a copy of the meeting agenda and participants' names. The meal should be capped at \$17/per person, including taxes, tip and delivery charges.
- For internal meetings that start prior to 8:00 am, breakfast may be served, with email pre-approval by the responsible SLT member. Approval should be attached to the expense claim, along with a copy of the meeting agenda and participants' names and the meal should be capped at \$13/per person, including taxes, tip and delivery charges.
- **Please note where a group of OTN employees are dining together, the most senior ranked employee of the group must pay the bill.**

4. Gratuities

Although circumstances and judgment will aid in determining an appropriate and reasonable tip, common practice is to tip 10-15% of the bill before taxes. In any event, a gratuity must not exceed 15% of the bill after taxes. For group meals, if a restaurant automatically adds a gratuity that is in excess of 15%, the explanation should be included when the expense report is submitted; otherwise any amounts exceeding the 15% will not be reimbursed.

5. Foreign Currency Exchange

- The costs incurred in converting reasonable expenses to Canadian currency will be reimbursed, based on the actual Canadian dollar amount incurred by the employee.
- Credit card statements or Buy/Sell transaction cash receipts should be attached to the Expense Claim to support the actual Canadian amount incurred by the employee.

6. Entertainment for non-OTN employees covered under BPS/OPS

- OTN recognizes the occasional need to incur expenses to develop and maintain effective working relationships with non-OTN employees.
- In these situations, entertainment is defined as the complimentary provision of meals/refreshments or event tickets to guests of OTN, who are or might be bound by BPS/OPS.
- For amounts in excess of \$20, written pre-approval is required from the manager and for amounts in excess of \$300 from the responsible SLT member.
- No alcohol is to be expensed.
- Meals are subject to the \$13/\$17/\$30 maximums, including tax and tip. If maximums are expected to be exceeded, written pre-approval is required by the CEO.

- Claims submitted on the expense reports must be accompanied by original and itemized receipts supporting all expenditures and a list of attendees.
- Token gifts of appreciation, valued up to \$50, may be extended to persons who do not work at OTN in exchange for pro-bono services. Gifts valued above \$50 must be justified and pre-approved via email by the responsible SLT member and attached to the expense claim. An honorarium is not subject to this Policy.
- For more information on Hospitality extended to individuals not covered under BPS/OPS, please refer to the Hospitality guideline 12.30 G V.3.

7. Travel Advances

- In most cases, employees will be expected to pay for travel expenses using their personal credit cards unless they have an OTN Corporate Card (reference the policy 12 25). However, in special circumstances, employees may request a reasonable amount as a travel advance from the Financial Controller.
- Advances to pay for airfare travel are not permitted because the corporate travel account should be utilized to cover this cost.
- The travel advance must be deducted from the Expense Claim upon submission.

8. Other Reimbursable Expenses

- Employees shall be reimbursed for required business expenses such as local and long distance business calls, photocopies, faxes, internet connections and other necessary business related items.
- One phone call home per day while on business travel is acceptable and will be reimbursed. It is expected that the employee will limit this call to a reasonable time.
- In circumstances where unplanned overnight travel occurs (i.e. weather delays), claims can be made up to \$20 for incidentals (i.e. personal items such as a toothbrush) with appropriate receipts.
- Bridge, ferry, highway tolls and parking will be reimbursed as necessary.
- Employees required to be away from home for longer than 5 business days may expense reasonable costs for laundering clothes.
- Employees may be reimbursed for meals, subject to the above limits, when working overtime greater than three (3) hours in addition to their normal work day or on a weekend. Written prior approval must be obtained from the responsible SLT member and no alcohol can be reimbursed.

SUBMITTING AN EXPENSE CLAIM

***Not including all appropriate documentation with an Expense Claim may result in a delay in processing. Incomplete forms will be returned. Only expense reports that have been properly authorized by all parties should be sent to the Finance Department.**

Complete all relevant information on the Expense Claim.

- Travel ticket receipts must indicate name of traveler and must be attached to the Expense Claim to support the reimbursement claim. All other expenses claimed should be submitted along with original receipts. A credit card transaction slip is not acceptable and will not be considered as a receipt.
- All columns must be completed, in particular the charge account and cost centre numbers in order that funds are charged appropriately.
- Meals being expensed must be identified on the report.
- Any mileage claims must clearly state purpose of travel and where travel is from/to.
- Expenses must always include direct Manager's approval. Additional approval should be obtained from the relevant Cost Centre Manager where expenses are being cross-charged to a different cost center than the employees normal cost centre.

- No employee can approve his/her own expenses or that of a subordinate who has paid travel and meal expenses for his/her benefit.
- For any travel related expenses > \$2,000 approval must be obtained by the SLT member responsible for the cost center in which the expenses are to be charged.
- Expense claims for the CEO must be approved by the VP Finance & Administration and one of any other Vice President. As well, the expense claims must be approved on a quarterly basis by the Chair of the Audit & Finance Committee;
- For employees in the Toronto office the approved Expense Claim, along with the original and itemized receipts, should be submitted to the Finance department designate as noted on the form.
- For employees in satellite/home offices, please refer to the Appendix 2 for the procedure required for processing expenses, which now also require original and itemized receipts.
- The Finance Department will perform audits on the expense reports to ensure no duplicate submissions have been made.
- Retain a copy for your records.

ROLES AND RESPONSIBILITIES

Claimant's Responsibilities

Claimants are expected to:

- Exercise integrity, prudence and good judgment when incurring expenses on behalf of OTN.
- Inform themselves of the requirements of this policy, seeking clarification as needed.
- Ensure compliance with this policy.
- Ensure that amounts claimed for expenses are accurate, complete, reasonable and in accordance with this policy and charged to the correct account(s) and cost center(s)
- If not evident from the attached receipts, include documentation of the business purpose and reasonableness of the amounts claimed.
- Provide original itemized receipts, or supporting evidence of the expense that is sufficient for the approver to consider the appropriateness of the claim when an original receipt can't be provided. Credit card slips are not sufficient documentation.
- Provide supporting evidence of the expenditure, which may include a summary log of itemized expenses for circumstances where receipts are unavailable.
- Ensure that claims for expenses that may be reimbursed by another party to OTN are clearly indicated as such, with appropriate level of detail to enable efficient billing.
- Refund OTN for any overpayments.
- Submit expenses prior to terminating employment.
- Submit expenses using the correct form and within 60 days of the date incurred.

Approver's Responsibilities

Approvers are expected to ensure that expenses they approve are:

- Incurred in the performance of OTN business and supported by appropriate documentation.
- Incurred in a manner consistent with the principles of this policy.
- In compliance with this policy and other related policies.
- Within the scope of the approver's approval authority.
- Not self-approved.
- Charged to the correct account(s) and cost center(s).
- Submitted using the correct form and any other required pre-approval forms.

VIOLATIONS

Failure to adhere to the policies will result in a denial of the expense claim.

EXCEPTIONS

Please note an exception to this policy has been made for meal allowances and internal meetings related to Board Members/Meetings given the voluntary nature of their roles. Budgetary considerations will be taken into account in applying these exceptions to the respective amounts stated in this policy.

It is recognized that there could be other situations that may deviate from this Policy. In those situations, supporting rationale should be provided in writing and submitted with the Expense Claim to the VP Finance and Administration for approval, authorizing reimbursement to the employee

RELATED DOCUMENTS

Subject	Number
Expense Claim Form	12.50.F
Hospitality Policy	12.30.F
Travel Policy	12.50.P
Staff Events Policy	12.70.P
Enterprise Rent-A-Car: Car Rental Program	
OTN Travel Pre-Approval form	
Taxi & Limousine Service	

APPENDIX 1 – GUIDANCE ON APPROPRIATE HOTEL ROOM RATES

Date Updated: January 2017

Vicinity/Location	Rate Ranges per night for standard room (excl HST)
Toronto Downtown	\$220 - \$250/night
Toronto Airport (Pearson Airport)	\$110 - \$130/night
Westin Prince (Moatfield Office)	\$175/night
Thunder Bay	\$115 - \$135/night
London	\$90 - \$120/night
Ottawa	\$160 - \$185/night
Timmins	\$130 - \$160/night

As an employee of a public funded organization, the individual has the responsibility to make the best use of public funds. These guidelines are not intended to provide a minimum room rate and employees are encouraged, whenever feasible, to utilize hotels with room rates below the dollar thresholds stated above. **However, for any hotel room rates that exceed the maximum guidance, an explanation for the overage should be included with the expense report submission.**

*OTN has a contracted price with Westin Prince. The current rates are valid till December 31, 2018.

APPENDIX 2 – EXPENSE SUBMISSION PROCEDURE FOR OUT OF TOWN EMPLOYEES

		Approving Manager Location		
		Toronto	Home Office	Satellite Office
Employee Location	Toronto	Expense report and original receipts should be given to manager and sent, with appropriate signatures, to Accounts Payable.	A copy of the expense report and original receipts should be scanned and emailed to the manager. Once the manager emails approval (including the amount of the expense report in the email), the approval should be printed, attached to the package and sent to Accounts Payable.	A copy of the expense report and original receipts should be scanned and emailed to the manager. Once the manager emails approval (including the amount of the expense report in the email), the approval should be printed, attached to the package and returned to Accounts Payable.
	Home Office	Expense report and original receipts should be mailed to your manager for approval, who should then sends it to Accounts Payable.	A copy of the expense report and original receipts should be scanned and emailed to the manager. Once the manager emails approval (including the amount of the expense report in the email), the approval should be printed, attached to the package and mailed to Accounts Payable.	A copy of the expense report and original receipts should be scanned and emailed to the manager. Once the manager emails approval (including the amount of the expense report in the email), the approval should be printed, attached to the package and mailed to Accounts Payable.
	Satellite Office	Expense report and original receipts should be mailed to your manager for approval, who should then sends it to Accounts Payable.	A copy of the expense report and original receipts should be scanned and emailed to the manager. Once the manager emails approval (including the amount of the expense report in the email), the approval should be printed, attached to the package and mailed to Accounts Payable.	Expense report and original receipts should be given to manager and mailed with appropriate signatures to Accounts Payable.

1. If neither person is located in Toronto and the expense report only has mileage, both the expense report, together with the approval can be emailed directly to Accounts Payable
2. If neither person is located in Toronto and the expense report is only for an internet bill that is printed from the internet, both the expense report, receipt and approval together can be emailed directly to Accounts Payable.